PUBLIC NOTICE

For

<u>Air Quality Operating Permit</u> for Luna Energy Facility of Public Service Company of New Mexico (PNM)

Public Service Company of New Mexico (PNM) at 2401 Aztec Rd NE, MS Z100; Albuquerque, NM 87107 has submitted an air quality operating permit application to the New Mexico Environment Department (NMED) for an air quality operating permit for its Luna Energy Facility. The owner of this plant is Public Service Company of New Mexico (PNM). The exact location of the facility is at latitude 32 deg, 17 min, 55.8 sec, and longitude 107 deg, 47 min, 0 sec. To aid in locating this facility, the approximate location is 1895 Arrowhead Drive, Deming, NM 88030, OR 2.4 miles north of the I-10/Rt. 180 intersection on Rt. 180, then West on Arrowhead Drive in Luna County. This application file has been assigned an Operating Permit Number P209-R1 and TEMPO Agency Interest ID No. 878.

Previously, the facility received an air quality construction permit and is in operation. The main purpose of the facility is to use natural gas fired turbines to generate a nominal 618 MW of commercial electrical energy.

This operating permit application is for a permit renewal. Per 20.2.70.401.C.(4) NMAC, this permitting action involves incorporating the corrections made to the SSM emission limits to match the BACT analysis.

The emissions, as established in NSR Permit 2450-M2R1, and brought forward into this permit are as follows. Parentheses note changes in emissions from previous operating permit P209. Emissions are expressed in tons per year (tpy). Nitrogen Oxides (NOx) at 250.3 tpy (no change); Carbon Monoxide (CO) at 730.3 tpy (no change); Volatile Organic Compounds (VOC) at 90.7 tpy (no change); Sulfur Dioxide (SO₂) at 37.5 tpy (no change); Particulate Matter 10 microns or less (PM₁₀) at 233.2 tpy (no change), and Particulate Matter 2.5 microns or less (PM_{2.5}) at 227 tpy (+1.1). The facility is a major (>100,000 tpy CO₂e) source of green house gas emissions.

The NMED has conducted a preliminary review of the information submitted with the permit application. This review included evaluation of the emission rates and applicable requirements to determine compliance.

The NMED has made a preliminary determination that this facility will comply with the requirements of Title 20, New Mexico Administrative Code (NMAC), Chapter 2, Parts 1, 7, 61, 70, 71, 72, 73, 74, 77, 82, and 84; 40 CFR 50, Subpart C; 40 CFR 60 Subparts A, Da, Dc, GG; 40 CFR 63 Subparts A, ZZZZ, DDDDD, JJJJJJJ; 40 CFR 72, 73, and 75; and the New Mexico Air Quality Control Act. Therefore, the preliminary intent of NMED is to issue the air quality operating permit on or before April 3, 2014.

Interested persons may obtain the draft operating permit and supporting documents, submit written comments, or request a public hearing on Operating Permit Number P209-R1 by contacting Cille Pritchard-Hoback at the New Mexico Environment Department, Air Quality Bureau, 525 Camino de los Marquez Suite 1, Santa Fe, NM 87505-1816 at (505) 476-4340.

Written requests for public hearing must state the nature of the issues proposed to be raised in the hearing. Comments must be based on the requirements of the applicable state and federal air quality regulations and the Clean Air Act. Comments or hearing requests must be received within 30 days after the public notice is published.